

1 [California Constitution Appropriations Limit (Gann Limit) - FY2025-2026]

2
3 **Resolution establishing the appropriations limit established at \$14,639,589,998 for**
4 **Fiscal Year (FY) 2025-2026 pursuant to California Constitution Article XIII B (Gann**
5 **Limit); due to the addition of local non-residential new construction and the percent**
6 **change in population within the San Francisco Metropolitan Area from the previous**
7 **year for the purpose of computation of its Appropriations Limit.**

8
9 WHEREAS, Article XIII B of the California Constitution provides that the annual
10 appropriations of the City and County of San Francisco, which are subject to said Article,
11 may not exceed the Appropriations Limit for the prior year, with adjustments as provided in
12 said Article XIII B; and

13 WHEREAS, The California Government Code, Section 7901, defines the terms, and
14 Section 7902(b) sets forth the equations to be used to determine the City and County of San
15 Francisco's annual Appropriations Limit, according to the following formula:

16 (b) "...the appropriations limit of the state and each local jurisdiction shall equal the
17 appropriations limit for the prior fiscal year multiplied by the product of the change in
18 cost of living, as defined in paragraph (2) of subdivision (e) of Section 8 of Article XIII
19 B of the California Constitution, and the change in population of the local jurisdiction
20 for the calendar year preceding the beginning of the fiscal year for which the
21 appropriations limit is to be determined, and adjusted for other changes required or
22 permitted by Article XIII B of the California Constitution;" and

23 WHEREAS, Article XIII B, Section 8(e)(2) of the California Constitution authorizes the
24 calculation of the cost of living, either the use of the percentage change in California per-
25 capita personal income from the preceding year, or the use of the percentage change in the

1 local assessment roll from the preceding year for the jurisdiction due to the addition of local
2 non-residential new construction; and

3 WHEREAS, The change in California per-capita personal income in Fiscal Year (FY)
4 2024-2025 was 6.44%, while the percentage change in the local assessment roll in 2024
5 due to the addition of local non-residential new construction was 9.76%; and

6 WHEREAS, Chapter 1222 of the California State Statutes of 1980 allows the City and
7 County of San Francisco to use the greater of its percentage change in population from the
8 preceding year or the percentage change of the Metropolitan Statistical Area population;
9 and

10 WHEREAS, The percentage change in population of the City and County of San
11 Francisco was -.39%; and

12 WHEREAS, The percentage change in population during calendar year 2024 for the
13 San Francisco Metropolitan Statistical Area was 0.60%; and

14 WHEREAS, Article XIII B, Section 4 of the California Constitution authorizes voters to
15 approve an increase in the Appropriations Limit for up to four years; and

16 WHEREAS, Voters approved one measure, Changes to Business Tax (Proposition M
17 – November 2024) that increased the Appropriations Limit by the sum collected by the levy
18 of this tax; and

19 WHEREAS, The sum collected by this tax in fiscal year 2025-26 is projected to be
20 \$1,662,357,961; and

21 WHEREAS, Article XIII B, Sections 8(h) and 10.5 of the California Constitution
22 establish that the Base Appropriations Limit for a local government is equal to the
23 appropriations subject to limitation in fiscal year 1986-87; and

24 WHEREAS, The Base Appropriations Limit for FY2024-2025 is \$11,752,763,337; and
25

1 WHEREAS, The resulting calculation establishing the City and County of San
2 Francisco's FY2025-2026 Appropriations Limit is:

3 $\$11,752,763,337 \times 1.0060 \times 1.0976 + \$1,662,357,961 = \$14,639,589,998$; and

4 WHEREAS, This matter has been considered at a regularly scheduled meeting of the
5 Board of Supervisors for the City and County of San Francisco; and

6 WHEREAS, The documentation used to determine the Appropriations Limit for the
7 City and County of San Francisco for FY2025-2026 was available for public inspection in
8 the Office of the Clerk of the Board of Supervisors for at least 15 days prior to said regularly
9 scheduled meeting; now, therefore, be it

10 RESOLVED, That the City and County of San Francisco elects to use the percentage
11 change in the local assessment roll from 2024 due to the addition of local non-residential
12 new construction and the percent change in population within the San Francisco
13 Metropolitan Area from the previous year for the purpose of computation of its
14 Appropriations Limit pursuant to Article XIII B of the California Constitution for FY2025-2026;
15 and, be it

16 FURTHER RESOLVED, That the net appropriations limit for FY2025-2026 is
17 established at \$14,639,589,998.

18
19 Recommended:

20
21 /s/

22 Greg Wagner

23 Controller
24
25



City and County of San Francisco
Tails
Resolution

City Hall
1 Dr. Carlton B. Goodlett Place
San Francisco, CA 94102-4689

File Number: 260205

Date Passed: April 21, 2026

Resolution establishing the appropriations limit established at \$14,639,589,998 for Fiscal Year (FY) 2025-2026 pursuant to California Constitution Article XIII B (Gann Limit); due to the addition of local non-residential new construction and the percent change in population within the San Francisco Metropolitan Area from the previous year for the purpose of computation of its Appropriations Limit.

April 15, 2026 Budget and Finance Committee - RECOMMENDED

April 21, 2026 Board of Supervisors - ADOPTED

Ayes: 9 - Chen, Dorsey, Mahmood, Mandelman, Melgar, Sauter, Sherrill, Walton and Wong

Excused: 2 - Chan and Fielder

File No. 260205

I hereby certify that the foregoing
Resolution was ADOPTED on 4/21/2026 by
the Board of Supervisors of the City and
County of San Francisco.

f Angela Calvillo
Clerk of the Board

Daniel Lurie
Mayor

4 / 30 / 26

Date Approved